



To: Interested Parties
From: The Winston Group
Re: Key Takeaways from National Survey on Drug Price Executive Order
Date: August 25, 2020

This document is a brief summary of key findings from a recent national survey on the executive order about drug prices, also known as the Most Favored Nation (MFN) proposal (August 11-13, 1000 registered voters).

Most Important Issues

In the current environment, the top two priorities for the electorate are economy/jobs (26%) and health care (17%), reflecting the electorate’s focus on getting the economy moving forward and successfully dealing with the coronavirus.

Top Issue (5% or above)	Overall
Economy/Jobs	26
Health Care	17
Social Security/Retirement	10
Crime/Safety	7
Immigration	6
Environment/Climate Change	5

Concerns in Health Care

In terms of current priorities in health care, voters were asked to choose two; the top priority was finding a vaccine or treatment for the coronavirus (35%), followed by cost of insurance premiums (26%), quality of care (23%) and cost of insurance co-pays and deductibles (21%).

In thinking about your health care, which concerns you the most? (combined top two choices)	Overall	GOP	Indep	Dem	65+
Finding a vaccine or treatment for the coronavirus	35	30	34	40	50
Cost of insurance premiums	26	31	25	21	19
Quality of care	23	24	25	21	25
Cost of insurance co-pays and deductibles	21	23	19	20	16
Access to care	17	14	15	20	19
Cost of prescription drugs	17	18	15	18	21
Getting new cures and treatments	13	11	14	14	16
Choice of health insurance plan	12	11	12	13	10
Losing your health insurance	12	8	13	16	7
Choice of doctor	11	13	9	10	9

Cost of prescription drugs was in a second tier of concerns (17%), along with access (17%). Seniors prioritized finding a vaccine or treatment for the virus (50%) even more than voters overall, with everything else after that being secondary. Like voters overall, cost of prescription drugs (21%) was in their second tier of concerns, with quality of care (25%) being slightly ahead of cost.

State of Vaccine Development

In terms of how the vaccine development process for the virus is going, voters tend to think it is going well (53-18 right direction-wrong track). Republicans (70-12) and seniors (70-9) are the most optimistic, more so than independents (44-18) and Democrats (45-24).

Reflecting views that vaccine development seems to be going well, voters tended to believe we should not pursue any policy or government action that could have the potential of delaying vaccine development. There was also some belief that we should avoid actions that would disrupt the ability to get medications while the virus is still underway.

- *We should avoid any government policies or actions that could delay getting a vaccine or treatment for the coronavirus* (45-24 believe-do not believe; 50-20 among Republicans; 40-26 among independents; 44-25 among Democrats; 61-16 among 65+).
- *We should avoid any government policies or actions that would disrupt the ability to get medications especially while the coronavirus is still a problem throughout the country* (48-23; 53-22 among Republicans; 41-28 among independents; 48-20 among Democrats; 63-18 among 65+).

Beliefs About Medical Innovation

There is some understanding and awareness of what it takes to innovate and develop medications.

- A majority of voters overall (54%) and seniors (57%) recognize that *research for the coronavirus vaccine came from other prior medical research on similar viruses, which has given scientists a head start on vaccine development* (54-18 believe-do not believe among voters overall; 57-13 among 65+).
- There is also some belief in the statement made by the President that *it can take 15 years to get a medication approved by the FDA with billions of dollars invested to produce a drug* (46-24).
- There is some belief that the US is the leader in biomedical innovation, but this belief is not over 50%, indicating that there is not yet a majority view about the country's standing on medical innovation in the world (45-26), despite the phenomenal medical breakthroughs taking place.

Quality vs. Cost

In terms of what is most important in health care decisions, getting the best quality treatment (73%) is overwhelmingly the more important factor over getting the lowest cost for that treatment (21%), and even more so among seniors (92-5 quality-cost). Having lower cost is certainly important but quality is the key priority and especially among seniors, whose life expectancy and quality of life are particularly impacted by having the best quality treatment. Their focus on quality seems to have been amplified even more as a result of the pandemic, as their susceptibility to the virus is causing seniors - as well as voters of all ages - to be more aware of their health status and quality of health.

When you make a decision about your health care, what is the most important factor in that decision?	Overall	GOP	Ind	Dem	65+	Medicare
Getting the lowest cost for that treatment	21	19	21	24	5	6
Getting the best quality treatment	73	75	71	71	92	92

Similar to how people make personal health care decisions, voters want the government to prioritize quality in its health care policy decisions (65-27 getting the best quality treatment-getting the lowest cost for that treatment). This is true across party, and especially among seniors (84-10), reflecting their acute focus on quality as it directly impacts their life expectancy. Specifically, seniors on Medicare are very heavily in favor of quality (86-10).

If the US government makes a policy decision related to your health care, what would you want the most important factor to be in that decision?	Overall	GOP	Ind	Dem	65+	Medicare
Getting the lowest cost for that treatment	27	27	23	31	10	10
Getting the best quality treatment	65	67	67	63	84	86

Executive Order

Voters were presented with the following brief description of the MFN proposal: “The US government is considering a proposal that would allow the federal government to set the prices of physician-administered medicines in Medicare Part B based on what foreign countries do in their health care systems.” In terms of the proposal, more voters favor than oppose (41-22 favor-oppose), but support is well short of a majority. Republicans favored the proposal more than not (44-20), but again, support was not over 50% and did not gain a majority of Republican support. However, while they are not opposed, they are not overwhelmingly in favor either, and there are large shares of voters undecided, both overall (37%) and among Republicans (35%). As shown in the next chart, the largest group of seniors (46%) and specifically seniors on Medicare (44%) are undecided, rather than having a clear preference on the proposal.

Do you favor or oppose this proposal?	Overall	GOP	Ind	Dem	65+	Medicare
Favor	41	44	37	40	36	38
Oppose	22	20	25	21	19	18
Don't know	37	35	38	39	46	44

In terms of supporting statements, voters were not convinced about the statements that the administration has used in support of the executive order, and belief of the supporting statements was under 50% among Republican voters.

- *This proposal doesn't just seek to end foreign free-riding. It introduces competition and negotiation to Medicare Part B drugs* (38-22 believe-do not believe, 40% don't know; 45-19, 37% don't know among Republicans; 38-21, 41% don't know among Independents; 32-26, 41% don't know among Democrats; 40-17, 42% don't know among 65+;).
- *This proposal on competition and negotiation will result in lower drug prices for seniors* (42-25, 34% don't know; 44-23, 33% don't know among Republicans; 42-24, 34% don't know among independents; 40-26, 34% don't know among Democrats; 48-21, 31% don't know among 65+).

While there seemed to be some level of openness to the concept of the executive order, neither supporting nor opposing statements received over 50% belief, indicating that opinions of the proposal are not well defined and there are concerns surrounding the proposal and potential consequences. Of the statements in support and against, there was some soft level of belief that the proposal would give the government more control over what private companies can charge, including more than 50% of Republicans and seniors believing that. Additionally there was some belief that it will increase

bureaucracy in Medicare and the doctor-patient relationship, with these beliefs being slightly stronger among Republicans and seniors.

- *This proposal will give the government more control over what private companies can charge* (47-21 believe-do not believe; 53-19 among Republicans; 45-19 among independents; 43-25 among Democrats; 54-19 among 65+).
- *This proposal will introduce more bureaucracy into Medicare and the doctor-patient relationship* (43-26; 48-22 among Republicans; 39-27 among independents, 41-28 among Democrats; 50-23 among 65+; 48-27 among seniors on Medicare).

The electorate also tended to believe that the proposal will determine which medicines to which seniors have access, with belief slightly higher among seniors and Medicare recipients.

- *This proposal could determine which medicines seniors have access to under Medicare Part B* (41-23 believe-do not believe; 43-21 among Republicans; 43-22 among independents; 37-25 among Democrats; 45-17 among 65+; 46-16 among seniors on Medicare).

Alternative Solutions to Address Drug Prices

When matched up with another plan, voters overwhelmingly preferred other options to deal with drug prices. For example, by significantly more than 2:1, voters overall prefer a plan that includes expediting and streamlining regulations, offering incentives to help lower the cost of medical research and development in the US, speeding up FDA review and approval of new medications, protecting intellectual property, and negotiating better trade deals with other countries (Plan A - 55%) to the proposal allowing the federal government to set prices (Plan B - 23%). This was the preference among Republicans (63-18 A-B), independents (49-27), Democrats (53-24), and seniors (58-17).

Which of these two plans would you prefer to help lower the cost of prescription drugs?	Overall	GOP	Ind	Dem	65+
Plan A which includes expediting and streamlining regulations and offering incentives to help lower the cost of medical research and development here in the US, speeding up the process of FDA review and approval of new medications, protecting intellectual property, and negotiating better trade deals with other countries.	55	63	49	53	58
Plan B which includes the proposal to allow the federal government to set the prices of physician-administered medicines in Medicare Part B, based on what foreign countries do in their health care systems.	23	18	27	24	17

Similarly, when Plan A included focusing on developing safe, effective, and affordable coronavirus treatments and vaccines, getting more generic drugs into the market, making sure prescription drug rebates are passed along to people at the pharmacy counter, and limiting what seniors pay for medicines in a given year and Plan B was the proposal, voters again preferred Plan A to Plan B 60-20. This was again the preference among Republicans (61-23), independents (56-19), Democrats (61-18), and seniors (66-10).

Which of these two plans would you prefer to help lower the cost of prescription drugs?	Overall	GOP	Ind	Dem	65+
Plan A which includes focusing on developing safe, effective, and affordable coronavirus treatments and vaccines, and for other medications such as getting more generic drugs into the market, making sure prescription drug rebates are passed along to people at the pharmacy counter, and limiting what seniors pay for medicines in a given year.	60	61	56	61	66
Plan B which includes the proposal to allow the federal government to set the prices of physician-administered medicines in Medicare Part B, based on what foreign countries do in their health care systems.	20	23	19	18	10

Conclusion

In the scope of the electorate’s priorities and concerns within health care, getting to a vaccine and successfully dealing with the virus is seen as the most important priority, and at the present time, vaccine development is seen as going well. Additionally, research for the vaccine is recognized as originating from prior medical research and the larger scientific knowledge base. With the priority on quality in the US health care system, the most important factor in health care decisions is getting the best quality. While lower cost is certainly important, getting the best quality is the priority in health care decisions, and voter expectation is that the government should prioritize quality in policy decisions about health care. This is especially true among seniors given the impact on quality care on life expectancy.

Finally, with the President having asked for better ideas to deal with drug prices than the executive order, this research identifies at least two alternative plans that voters prefer by large margins over the MFN proposal.